



The Jockey Club

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November 2, 2021

Statement from The Jockey Club:

The Jockey Club wholeheartedly supports the Equine Tax Fairness Act, introduced by Congressman Andy Barr (R-KY). This bill will put horse ownership on par with other investment assets. The bill addresses two key deficiencies of the tax code. First, the bill will decrease the depreciation schedule eligible to racehorses from seven years to three, permanently rescheduling racehorses that are put into service before the age of two into the three-year depreciation asset class. The three-year depreciation schedule accurately reflects the typical career of a racehorse since nearly three-quarters of foals that race have a career of four years or less. This change has been enacted by Congress on a temporary, year-to-year basis since 2008, and needs to be permanent law.

Second, the Equine Tax Fairness Act will reduce the holding period required for equine assets to be considered long-term capital assets from 24 months to 12 months, putting them in line with other investments, such as homes, stocks and bonds.

The U.S. horse industry directly contributes \$50 billion to the economy and provides approximately 988,000 jobs nationwide. This reform is needed to ensure the tax code treats our industry like other businesses, and we commend Congressman Barr for his efforts.

James L. Gagliano
President & Chief Operating Officer